



U.S. Department of Agriculture  
Foreign Agricultural Service

## Fact Sheet

### WTO and Agriculture What's at Stake for Iowa?

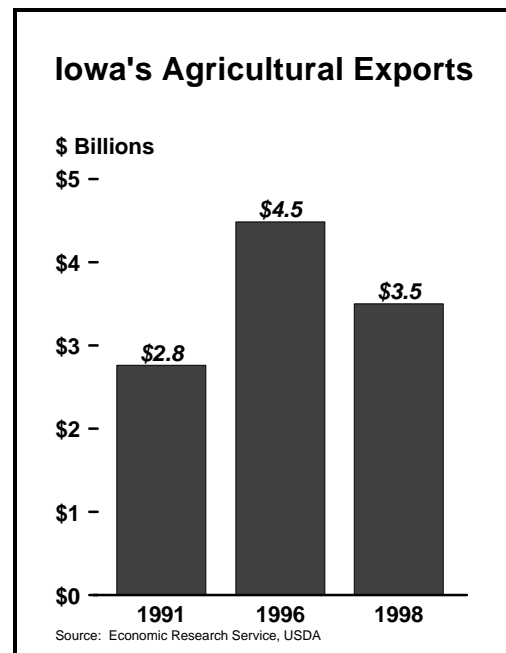
#### October 1999

Iowa is a leading producer of agricultural products and a major exporter. In 1998, the state's cash farm receipts totaled \$11 billion, and it ranked second among all 50 states in the value of its agricultural exports. The state's exports reached an estimated \$3.5 billion that year. These exports help boost farm prices and income, while supporting about 53,200 jobs both on the farm and off the farm in food processing, storage, and transportation. Exports are increasingly important to Iowa's agricultural and state-wide economy. Measured as exports divided by farm cash receipts, the state's reliance on agricultural exports has risen from 27 percent to 32 percent since 1991.

The top five agricultural exports in 1998 were:

- # soybeans and products -- \$1.6 billion
- # feed grains and products -- \$1.0 billion
- # live animals and red meats -- \$522 million
- # feeds and fodders -- \$121 million
- # hides and skins -- \$54 million

World demand for these products is increasing, but so is competition among suppliers. If Iowa's farmers, ranchers, and food processors are to compete successfully for the export opportunities of the 21st century, they need *fair trade* and *fair access* to growing global markets.



#### Iowa Producers Benefit From Trade Agreements

- # Iowa, the nation's largest feed corn producer, continues to benefit under the Uruguay Round as Japan increases its 3.75-million-ton zero duty quota for feed corn by 450,000 tons in 2000. South Korea is lowering its in-quota tariff on feed corn and popcorn from 3 percent to 1.8 percent from 1995 to 2005. Korea will also reduce tariffs on mixed animal feeds from 7 percent to 4.2 percent.
- # The nation's largest soybean producer, Iowa benefits under the Uruguay Round as Japan reduces its tariffs on soybean oil 36 percent by 2000.
- # With the nation's largest hog industry, Iowa benefits under the Uruguay Round as EU export subsidies for pork are cut 21 percent (volume) by 2000. Korea eliminated all volume restrictions for frozen pork, and the 33 percent tariff will fall to 25 percent by 2004. Japan is reducing its minimum import price for pork 29 percent by 2000.